



Economic and Commercial Newsletter

EMBASSY OF THE UNITED STATES OF AMERICA,
GEORGETOWN, GUYANA

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U.S. Embassy, Georgetown, Economic and Commercial Section

Welcome to the Economic and Commercial Section of the U.S. Embassy in Georgetown, Guyana. The Section advises the Ambassador and the U.S. Government on economic, labor, agriculture, environment, science and technology issues and the U.S. – Guyana economic/trade relationship.

The Section also supports U.S. companies seeking trade and investment opportunities in Guyana.

The Economic and Commercial Section partners with the U.S. Commercial Service, Caribbean Regional Office in Santo Domingo, Dominican Republic to support U.S. commercial interests in the region and helps U.S. companies increase sales and market share.

We offer assistance to both American and Guyanese companies through a variety of programs and services. Our mission is also to promote U.S. goods and services through trade and investment opportunities in Guyana. We also work closely with Guyanese businesses to find the products, technologies, services, and partners which they need from the United States.

Our Services for U.S. Companies

"Your Connection to the Caribbean": Our Caribbean Regional Office, located in the Dominican Republic, helps U.S. companies do business in the region by providing counseling on market entry/expansion, matchmaking, market research, due diligence, promotional events, assistance at trade events/shows and advocacy support to overcome trade barriers and settle payment disputes. Learn more about [Our Services for U.S. companies](#).

Our Services for Local Companies

"Your Connection to the U.S.": Our Caribbean Regional Office also helps Caribbean companies by finding suitable U.S. product/services, locating U.S. companies that are actively seeking partners, agents and distributors and providing assistance when traveling to the United States to source U.S. products/services. Learn more about [Our Services for Local companies](#).

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Ambassador John M. Jones, U.S. Embassy, Georgetown, Guyana Addresses Guyana Manufacturing & Services Association (GMSA) Luncheon

U.S. - Guyana Partnership

On April 30, 2009 U.S. Embassy, Georgetown, Ambassador John M. Jones delivered the feature address at a Business Luncheon hosted by the Guyana Manufacturing and Services Association. The Ambassador in his address to the members of the Association and special invitees, noted that U.S. and Guyana are inextricably linked in three ways: first by people, second economically and third by democracy.

Ambassador noted four general principles about partnerships: first, ensure that the goals of both parties are aligned; second, ensure that all parties involved shared the same level of commitment to what you are setting out to do, whether that is addressing a problem such as crime or narco-trafficking, or creating a business partnership between private companies; third, is having an openness to new ideas and constructive criticism; the final principle is to keep the focus on the results.

The Ambassador said that in specific areas where the U.S. Embassy and the Government of Guyana have a shared vision, equal commitment, openness to criticism and new ideas, and a focus on results, a great deal has been accomplished. He added that no doubt more will be accomplished. The U.S. Government has spent US\$80 million to partner with the Ministry of Health to help reduce infectious rate and combat other diseases. Over the last four years, the United States Agency for International Development has spent more than US\$7 million to support a market-led approach to economic growth in collaboration with the private sector and the Government of Guyana. The Guyana Trade and Investment Support program, has worked with wood processors and aquaculture farmers to build facilities, use the latest technologies, and find markets for new high-value products.

Currently the U.S. Embassy, the Georgetown private sector, and the New York-based Guyanese and American Business and Professionals Council have teamed up in an initiative to match Guyanese businesses that are looking for buyers, suppliers, or investors with businesses in the U.S.

US Embassy, Georgetown, Guyana hosts Marketing Seminar in Linden and Georgetown for Entrepreneurs



Linden Seminar Participants pose with Professor Harvey Markovitz (Blue Shirt & Tie) and U.S. Embassy, Georgetown, Economic Officer Mr. James Plasman (second from right)

On May 27-28, 2009, the Embassy of the United States, Georgetown partnered with Pace University, NY, Georgetown Chambers of Commerce and Industry and the Linden Economic Advancement Programme (LEAP) to host two successful seminars entitled **"MARKETING YOUR SMALL BUSINESS FOR GREATER PROFITABILITY and MAKING MARKETING PAY IN GUYANA"**

Professor Harvey Markovitz a Clinical Assistant Professor of Marketing and Director of the Interactive and Direct Marketing Lab at Pace University, New York conducted the seminars.

Professor Markovitz brought to the seminar more than 40 years experience as a marketing, sales, and business development professional.

The first seminar was held in Linden on Wednesday, May 27, 2009; it targeted small and emerging entrepreneurs in the Linden Business Community that are engaged in handicraft (wood products), information and communication technology (ICT), manufacturing, agriculture (agribusiness), eco-tourism, construction (prefab houses).



L-R: Dr. Grantley Walrond, Moderator; Mr. James Plasman, Economic Officer, U.S. Embassy, Georgetown; Mr. Chandradat Chintamani, President Georgetown Chambers of Commerce and Industry and Prof. Harvey Markovitz, Pace University, New York



Georgetown Seminar Participants listen attentively to Professor Harvey Markovitz during his PowerPoint Presentation.

The second seminar was held in Georgetown on Thursday, May 28, 2009 and targeted members of the Georgetown Chambers of Commerce and Industry which are engaged in the following sectors: tourism and eco-tourism; manufacturing; financial services; forestry and wood products; and distribution.

The seminars focused on Making Marketing Pay in Guyana through hands on marketing tools and insights. The seminars covered a number of areas namely: Marketing in the Twenty First Century; Analyzing Consumers Markets and Buying Behavior; Dealing with the Competition; Identifying Market Segments and Selecting Targets Markets; Positioning and Differentiating Market Offerings over the Life Cycle; Developing New Market Offerings

and Designing and Managing Integrated Marketing Communication.

Professor Markovitz encouraged the participants/business representatives to market their businesses using an Integrated Direct Marketing Approach. By utilizing this approach businesses may achieve a higher rate of growth and profitability than their competitors. Marketing is where a business goes the extra distance to know what the customers' needs are and how to satisfy those needs. Marketing is also creating a friendly environment that is better than your competitors, and encourages customers to keep coming for more products and services.

Profile of Guyana

Official Name:	Cooperative Republic of Guyana
Capital City:	Georgetown
Government:	Republic within the Commonwealth
Currency:	Guyanese dollar (GYD)
Population:	766,200 (2008 estimate)
Area:	214,970 sq. km. (83,000 sq. mi.)
Language:	English
Main Airport:	Cheddi Jagan International Airport, Timehri
Main Port:	Georgetown
Climate:	Tropical





Denmor Garments (Manufacturers) Inc.

Denmor Garments (Manufacturers) Inc. was officially opened in July 1997 by the then Prime Minister of Guyana Janet Jagan as the principal garment manufacturer in Guyana. The factory began its operation with 250 employees and at the end of 2007 the number of company employees grew to more than 1100 employees, of which 97% are women. Dennis Morgan Mudlier is the founder and Chairman/Managing Director of Denmor.

Denmor produces a variety of high quality garments for export, primarily to the United States and has created a niche for the company. The proximity of Guyana to the North American markets is a great benefit. This allows Denmor to ship products using sea freight in about 10 days and air freight (rush shipments) in 1 day to the United States. Denmor accepts both small and large orders as well as rush orders and has the capacity to produce any variety of garments desired. Denmor has the manufacturing capacity to respond to orders of up to 50,000 dozens of garments per month, and can produce up to 15 different styles at the same time.

In 2007 the Mr. Mudlier opened a new factory which has a manufacturing capacity of 30,000 dozens of garments per month. The two factories have a combined manufacturing capacity of 70,000 - 80,000 dozens of garments per month. With the new factory in operation, Denmor is seeking new clients in the U.S. to expand its customer base.

The company manufactures garments for top U.S. brand name companies such as Victoria's Secret, Russell Athletic, Wal-Mart, Ballet Makers Inc. and JC Penny. Over the years Denmor has developed the reputation as a top quality producer of garments and in 2001 it was awarded the Russell Athletic Quality Recognition Award for achieving the goal of a 0.6 percent Acceptable Quality Level (AQL) which means that only 0.6 percent of its products are considered defective. Denmor continues to maintain this level of quality.

Denmor Garments (Manufacturers) Inc. is one of the local companies in Guyana that makes full use of the [Caribbean Basin Initiative \(CBI\)](#). The CBI is intended to facilitate the economic development and export diversification of the Caribbean Basin economies. Denmor products continue to benefit from duty free access to the United States under the CBI. Denmor also continues to enjoy positive trading relations with U.S. companies over the years. Mr. Mudlier equips the factories with machineries and equipment imported from the United States. Raw materials for the production of garments are imported from the U.S. and even the company buses that are used to transport the employees to and from the factories are U.S. imports.



Mr. Mudlier can attest to the success and growth of the company over the years. Expanding of the Denmor's customer base in the United States was a challenge. In June 2003 Denmor Garments (Manufacturers) Inc. and Paris Accessories of the U.S. entered into partnership and the two companies together formed Guyana Apparel Inc. (GA). Paris Accessories provides marketing and financial support to Denmor.

News Highlights

Government to sell its share in Telephone Company. [Read More](#)

Works underway on new international submarine cable. [Read More](#)

Digicel takes GT&T to court over Monopoly. [Read More](#)

Guyana cleared to export shrimp to US. [Read More](#)

Guyana/US trade needs special export marker. [Read More](#)

Strategy marrying economic growth to climate change fight launched. [Read More](#)

US-funded deportee aid scheme sealed. [Read More](#)

Guyana, US sign pact to trace illegal weapons. [Read More](#)

Economic Profile of Guyana for 2008

National Accounts

Nominal GDP:	USD\$945.2 million
GDP Real Growth:	3.1%
Per Capita GDP:	USD\$1,233.6

Public (Government) Finance

Total Revenue:	USD\$404.7 million
Total Expenditure:	USD\$558.5 million
Total Grants:	USD\$80.6 million
Overall Balance:	USD\$63.6 million
Overall Deficit as a Percent of GDP:	(6.3%)

Public Debt

Total Stock of Domestic Debt:	USD\$366.3 million
Domestic Debt Service:	USD\$29.5 million
Total Stock External Debt:	USD\$833.7 million
External Debt Service:	USD\$20.5 million
Total Stock of External Debt as a Percent of GDP:	88.2%

Prices and Income

Exchange Rate:	USD\$1 = GYD\$203
Inflation:	6.4%
Small Savings Rate:	3.04% (Per Annum)
Weighted Average Time Deposit Rate:	2.61% (Per Annum)
Weighted Average Lending Rate:	12.35% (Per Annum)
Prime Lending Rate:	14.54% (Per Annum)

Trade

Balance of Trade:	USD\$(501.8)
Total Imports:	USD\$1,300.2 million
Imports as a Percent of GDP:	137.6%
Guyana Imports from the U.S.:	USD\$288.6 million
Guyana Import Market Share from the U.S.:	22.2%
Total Exports:	U.S.D\$798.4 million
Exports as a Percent of GDP:	84.5%
Guyana Exports to the U.S.:	U.S.D\$146.0 million
Guyana Export Market Share to the U.S.:	18.3 %
Total Fuel & Lubricants Imports:	USD\$406.8 million
Fuel & Lubricants as a Percent of GDP:	37.7%

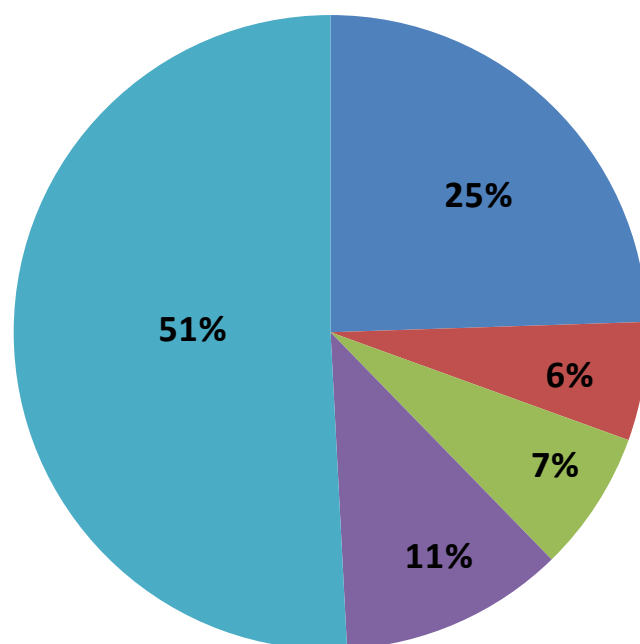
Investment

Total Private Investment (Local & FDI):	USD\$253.2 million
Total Foreign Direct Investment (FDI)	USD\$161.3 million
Value of U.S. Foreign Direct Investment	USD\$57.4 million
U.S. FDI as a Percent of Total FDI	35.58%
U.S. FDI as a Percent of GDP:	6.07%

Labor

Working Age Estimate:	465,800
Labor Force Estimate:	281,300
Unemployment Rate:	9.7%
Literacy Rate:	99.0%

Real GDP Composition by Sectors



■ Agriculture, Forestry & Fishing Sector
■ Manufacturing Sector
■ Mining & Quarrying Sector
■ Engineering & Construction Sector
■ Services Sector

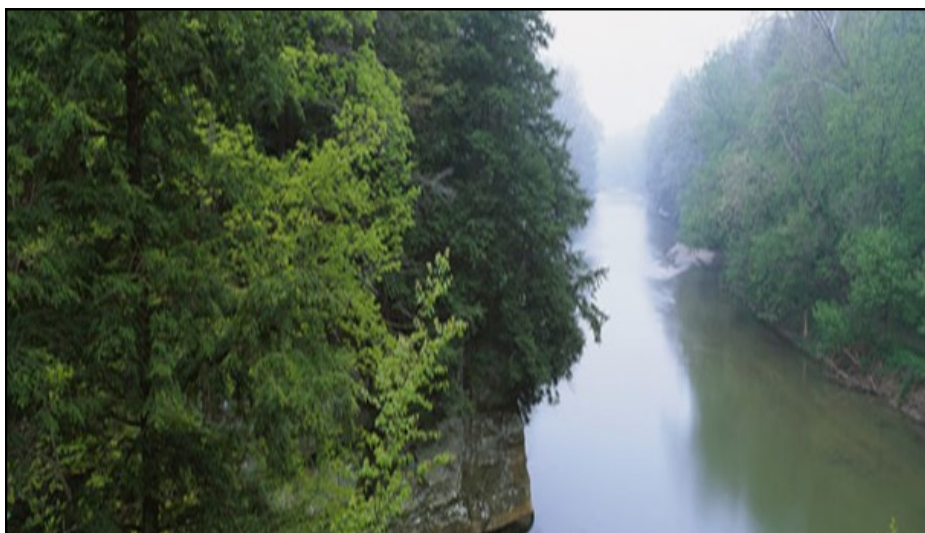
Launching of Guyana's Low Carbon Development Strategy

President Bharrat Jagdeo on June 8, 2009 launched Guyana's Low Carbon Development Strategy (LCDS) for transforming Guyana's economy, conserving its forests and adapting to climate change while contributing to the global effort of reducing climate-changing carbon emissions. The strategy's feasibility hinges on UN climate negotiations in Copenhagen yielding a global agreement on a carbon market.

Guyana's LCDS is a plan to channel forest conservation payments into human capital development, climate change adaptation and strategic investments and employment in low-carbon economic sectors like business process outsourcing, hydropower, sustainable forestry and wood products processing, ecotourism, bio-ethanol, aquaculture and other high-value, export-oriented agriculture. The LCDS, drafted by the GOG with support from McKinsey & Company and the Clinton Foundation, seeks to set Guyana's economy on a low-carbon development path while conserving the country's forests for their carbon regulating services. The strategy argues that since Guyana's most "economically rational" use of its forests is to clear cut them, mine underlying minerals and develop agriculture, abstaining from these actions requires compensation at least as remunerative. A GOG-sponsored McKinsey & Company study estimates the "economic value to the nation" (EVN) of this "economically rational" development at approximately \$580M USD per annum over 60 years. The LCDS projects payments from donor countries combined with income from an eventual carbon market mechanism compensating the country at and eventually above the EVN over coming decades. To achieve broad-based consent for the LCDS among Guyanese, the GOG is currently conducting a consultative process throughout the country.

The LCDS proposes four phases during which increasingly larger payments from donors and eventually payments from a REDD market mechanism would be channeled to institutional capacity building, human capital development, climate change adaptation and investments in low-carbon economic sectors. GOG projects that transitional payments of hundreds of millions of USD per annum from donor countries combined with increasingly larger REDD market mechanism payments will by 2020 yield Guyana the EVN, \$580M USD annually.

Since nearly 20% of carbon emissions occur through deforestation and other forest degradation, climate experts concur that forest conservation should be a major component of any comprehensive global climate change agreement. While the Kyoto Protocol's Clean Development Mechanism provided a means for developed countries to fund reforestation projects in developing countries, no provision exists to incent conservation of standing forests. Recognizing this deficiency, climate and conservation NGOs, multilateral development agencies and national governments have developed a mechanism called REDD – Reducing Emissions from Deforestation and Forest Degradation. REDD seeks to compensate developing forested countries for the market value of climate stabilizing services their forests provide. If UN climate negotiations at Copenhagen this December (2009) yield an agreement including a carbon market – a market-based REDD mechanism would channel payments from investors purchasing shares in that global exchange to developing forested countries. LCDS is complex and rapidly evolving issue of interest to all of Guyana, especially the business community and potential investors in the low carbon sectors.



Trade Shows in the United States

[AWFS 2009](#) (Forestry/Woodworking Machinery), July 15 - 18, 2009, Las Vegas, NV, United States

[American Association for Clinical Chemistry Annual Meeting & Clinical Lab Expo 2009](#) (Health Care Services), July 19 - 23, 2009, Chicago, IL, United States

[The WSA Show including The Collections at WSA and Materials at WSA \(Summer 09\)](#) (Apparel) July 31 - August 2, 2009, Las Vegas, NV, United States

[PRINT 09](#) (Printing/Graphic Arts Eq.), September 11 - 16, 2009, Chicago, IL, United States

[Gear Expo 2009](#) (Machine Tools/Metalworking Eq.), September 14 - 17, 2009, Indianapolis, IN, United States

[IFAI 2009](#) (Textile Fabrics), September 23 - 25, 2009, San Diego, CA, United States

[FY2009 American Dental Association Annual Meeting](#) (Dental Eq.) September 30 - October 3, 2009, Honolulu, HI, United States



For Comments and Inquiries Please Contact Us:

Embassy of the United States of America

Deon Pickett

Economic/Commercial Specialist

100 Duke and Young Streets

Kingston,

Georgetown, Guyana

Tel #: 592-225-4900~9 Ext 4228

Fax #: 592-225-8497

Email: pickettdb@state.gov

<http://georgetown.usembassy.gov/index.html>

http://www.buyusa.gov/caribbean/en/guyana_info.html